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OFFICE OF THE AUDITOR GENERAL
WILLIAM G. HOLLAND

January 12, 2007

Legislative Audit Commission
622 Stratton Office Building
Springfield, IL 62706

Dear Members:

In accordance with section 3-15 of the Illinois State Auditing Act (30 ILCS 5/3-15), I hereby submit the report on the operations of the Office of the Auditor General for the second quarter of Fiscal Year 2007 ending December 31, 2006.

FISCAL MATTERS

<i>FY 2007 – SECOND QUARTER</i>				
	<i>Appropriation</i>	<i>Expended</i>	<i>Obligated</i>	<i>Balance</i>
Personal Services	\$ 4,500,000	\$ 2,271,757	\$ 0	\$ 2,228,243
State Retirement	518,600	262,070	0	256,530
Social Security	344,300	167,529	0	176,771
Contractual Services	764,200	314,355	225,847	223,998
Travel	80,000	40,374	0	39,626
Commodities	22,000	1,794	0	20,206
Printing	25,000	14,811	0	10,189
Equipment	65,000	8,239	0	56,761
EDP	90,000	13,426	14,909	61,665
Telecommunications	75,000	18,856	0	56,144
Oper. of Auto. Equip.	6,000	842	0	5,158
Audits/Studies/Invest.*	<u>18,109,995</u>	<u>4,971,670</u>	<u>8,424,035</u>	<u>4,714,290</u>
TOTAL	<u>\$24,600,095</u>	<u>\$8,085,723</u>	<u>\$8,664,791</u>	<u>\$7,849,581</u>
*Audit Expense Fund				

PERSONNEL

<i>PERSONNEL</i>					
	<u>10-01-06</u>	<u>Appointments</u>	<u>Separations</u>	<u>Transfers</u>	<u>12-31-06</u>
Springfield	72	0	5	0	67
Chicago	<u>10</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10</u>
TOTAL	<u>82</u>	<u>0</u>	<u>5</u>	<u>0</u>	<u>77</u>

CONTRACTS

During the second quarter of Fiscal Year 2007 the Office of the Auditor General entered into one financial/compliance audit contract, and one information systems audit contract.

TRAINING

During the second quarter of Fiscal Year 2007, OAG-sponsored training included:

- Ethics
- Information Systems Auditing and Awareness
- Sexual Harassment Prevention
- IT Security and Confidentiality

Additional external-sponsored training in which OAG staff participated included:

- Strategies and Solutions for Security Leadership
- SAS No. 112: Impact on Auditors and Preparers
- IT Risk Classification & Audit Planning
- What Is SQL Injection And How May You Be A Victim
- AGA Performance Management Conference
- The New Yellow Book - What You Need to Know

PERFORMANCE AUDITS

<i>PERFORMANCE AUDITS IN PROGRESS</i>
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<i>AUDITS</i>	<i>ESTIMATED RELEASE DATE</i>
<ul style="list-style-type: none">• Audit of the Chicago Transit Authority, Regional Transportation Authority, Pace, and Metra (<i>House Resolution Nos. 479 and 650</i>)	Winter 2007
<ul style="list-style-type: none">• Rend Lake Conservancy District Follow-up (<i>LAC No. 133</i>)	Winter 2007
<ul style="list-style-type: none">• Management Audit of Illinois Department of Transportation: Aeronautics Operations (<i>LAC No. 135</i>)	Winter 2007
<ul style="list-style-type: none">• Performance Audit of State Moneys Provided By or Through State Agencies to the Illinois Hispanic Chamber of Commerce, Inc., and/or the Mexican American Chamber of Commerce of Illinois, Inc. (<i>Senate Resolution No. 631</i>)	Spring 2007
<ul style="list-style-type: none">• Study of Duplicate Programs (<i>LAC No. 130</i>)	Spring 2007
<ul style="list-style-type: none">• Program Audit of Funding Provided By or Through the State of Illinois to CeaseFire Illinois (<i>Senate Resolution No. 686</i>)	Spring 2007
<ul style="list-style-type: none">• Audit of Pilsen-Little Village Community Mental Health Center, Inc. (<i>House Resolution No. 1146</i>)	Spring 2007

REGIONAL OFFICES OF EDUCATION AUDITS

Public Act 92-544, effective June 12, 2002, gave the Office of the Auditor General the responsibility for the conduct of annual audits of the financial statements of all accounts, funds and other moneys in the care, custody or control of the regional superintendent of schools of each educational service region in the State. Previously, these audits were the responsibility of the Illinois State Board of Education. There are 48 total audits to perform; 45 are of Regional Offices of Education and 3 are of Intermediate Service Centers. As of December 31, 2006, all fiscal year 2005 audits had been released.

FINANCIAL AUDITS, SINGLE AUDITS AND COMPLIANCE ATTESTATION EXAMINATIONS

The following is a listing of financial audits, single audits and compliance attestation examinations for the period(s) ending June 30, 2005, September 30, 2005, December 31, 2005, and April 30, 2006. As the year progresses the “date released” column along with type of agency engagement columns will be completed.

<i>FINANCIAL AUDITS, SINGLE AUDITS AND COMPLIANCE ATTESTATION EXAMINATIONS FOR THE PERIOD(S) ENDING JUNE 30, 2005, SEPTEMBER 30, 2005, DECEMBER 31, 2005, AND APRIL 30, 2006</i>

F = Financial

S = Single Audits

C = Compliance Attestation Examinations

<i>AGENCY</i>	<i>F</i>	<i>C</i>	<i>S</i>	<i>DATE RELEASED</i>
Architect of the Capital		x		02-14-06
Arts Council and Foundation	x	x		03-02-06
Attorney Registration and Disciplinary Commission	x	x		05-18-06
Board of Admissions to the Bar	x	x		04-25-06
Board of Examiners		x		02-16-06
Board of Higher Education		x		03-22-06
Capital Development Board	x			02-09-06
Chicago State University	x	x	x	03-01-06
Chicago State University Foundation	x	x		03-01-06
Chicago Technology Park	x	x		03-08-06
Chicago Transit Authority (12/31/05)	x	x	x	08-08-06
Civil Service Commission		x		02-09-06
Commission on Government Forecasting and Accountability		x		02-14-06
Commission on Intergovernmental Cooperation		x		02-14-06
Comptroller – Fiscal Officer	x	x		03-30-06
Correctional Industries	x			03-02-06
Court of Claims		x		03-09-06
Criminal Justice Information Authority & IL Intergrated Justice Information System		x		03-02-06
DCMS – Deferred Compensation Plan – (12/31/05)	x			06-22-06
Deaf and Hard of Hearing Commission		x		02-09-06

FINANCIAL AUDITS, SINGLE AUDITS AND COMPLIANCE ATTESTATION EXAMINATIONS

AGENCY	F	C	S	DATE RELEASED
Department of Agriculture		x		06-20-06
Department of Central Management Services (Follow-up for FY 04 audit findings)			x	10-26-05
Department of Central Management Services	x	x		04-25-06
Department of Children and Family Services	x	x		04-11-06
Department of Employment Security	x	x		06-20-06
Department of Financial and Professional Regulation	x	x		06-01-06
Department of Human Rights		x		04-11-06
Department of Human Services – <i>Central Office and Lincoln Developmental Center</i>	x	x		06-13-06
Dept. of Human Services - <i>Alton Mental Health Center</i>		x		06-13-06
Dept. of Human Services - <i>Center for Rehabilitation & Education</i>		x		06-13-06
Dept. of Human Services - <i>Chester Mental Health Center</i>		x		06-13-06
Dept. of Human Services - <i>Chicago Read Mental Health Center</i>		x		06-13-06
Dept. of Human Services - <i>Choate Mental Health Center</i>		x		06-13-06
Dept. of Human Services - <i>Elgin Mental Health Center</i>		x		06-13-06
Dept. of Human Services - <i>Fox Developmental Center</i>		x		06-13-06
Dept. of Human Services - <i>Howe Developmental Center</i>		x		06-13-06
Dept. of Human Services – <i>Jacksonville Developmental Center</i>		x		06-13-06
Dept. of Human Services - <i>Kiley Developmental Center</i>		x		06-13-06
Dept. of Human Services - <i>Ludeman Developmental Center</i>		x		06-13-06
Dept. of Human Services - <i>Mabley Developmental Center</i>		x		06-13-06
Dept. of Human Services - <i>Madden Mental Health Center</i>		x		06-13-06
Dept. of Human Services – <i>McFarland Mental Health Center</i>		x		06-13-06
Dept. of Human Services – <i>Murray Developmental Center</i>		x		06-13-06
Dept. of Human Services - <i>School for the Deaf</i>		x		06-13-06
Dept. of Human Services - <i>School for the Visually Impaired</i>		x		06-13-06
Dept. of Human Services - <i>Shapiro Developmental Center</i>		x		06-13-06

FINANCIAL AUDITS, SINGLE AUDITS AND COMPLIANCE ATTESTATION EXAMINATIONS

<i>AGENCY</i>	<i>F</i>	<i>C</i>	<i>S</i>	<i>DATE RELEASED</i>
Dept. of Human Services - <i>Singer Mental Health and Developmental Center</i>		x		06-13-06
Dept. of Human Services - <i>Tinley Park Mental Health Center</i>		x		06-13-06
Department of Labor		x		03-28-06
Department of Natural Resources	x			05-19-06
Department of Public Aid	x	x		03-28-06
Department of Public Health		x		04-25-06
Department of Revenue	x	x		04-25-06
Department of Transportation	x	x		03-28-06
Drycleaner Environmental Response Trust Fund Council		x		03-09-06
DuPage Water Commission (04/30/06)	x	x		10-12-06
DuQuoin State Fair (09/30/05)		x		06-20-06
Eastern Illinois University	x	x	x	02-22-06
Eastern Illinois University Alumni Association	x	x		02-22-06
Eastern Illinois University Foundation	x	x		02-22-06
Educational Labor Relations Board		x		02-09-06
Emergency Management Agency		x		03-09-06
Environmental Protection Agency	x			02-16-06
Executive Office of Inspector General		x		04-25-06
General Assembly – Senate		x		02-14-06
General Assembly – House		x		02-14-06
General Assembly Retirement System	x			03-01-06
General Assembly Retirement System		x		05-02-06
Governors Commission on the Status of Women		x		02-09-06
Governors Office of Management and Budget	x	x		04-11-06
Governors State University	x	x	x	03-01-06
Governors State University Alumni Association	x	x		03-01-06
Governors State University Foundation	x	x		03-01-06

FINANCIAL AUDITS, SINGLE AUDITS AND COMPLIANCE ATTESTATION EXAMINATIONS

<i>AGENCY</i>	<i>F</i>	<i>C</i>	<i>S</i>	<i>DATE RELEASED</i>
Guardianship and Advocacy Commission		x		03-08-06
High School Association		x		04-11-06
Housing Development Authority	x	x	x	04-25-06
Human Rights Commission		x		03-22-06
Illinois Commerce Commission		x		04-11-06
Illinois Conservation Foundation	x	x	x	05-18-06
Illinois Environmental Protection Agency (Fund 270)	x			02-16-06
Illinois Finance Authority	x	x		05-18-06
Illinois Gaming Board		x		04-25-06
Illinois Grain Insurance Corporation	x	x		05-18-06
Illinois Labor Relations Board		x		03-09-06
Illinois Math and Science Academy	x	x		03-02-06
Illinois Math and Science Academy Fund	x	x		03-02-06
Illinois Petroleum Resources Board		x		04-25-06
Illinois Planning Council on Developmental Disabilities		x		02-09-06
Illinois State Fair (09/30/05)		x		06-20-06
Illinois State University	x	x	x	03-08-06
Illinois State University Foundation	x			03-08-06
Illinois Student Assistance Commission, IDAPP and Prepaid Tuition	x	x		05-18-06
Illinois Supreme Court		x		04-25-06
Judges Retirement System	x			03-01-06
Judges Retirement System		x		05-02-06
Kankakee River Valley Area Airport Authority	x	x		03-08-06
Legislative Audit Commission		x		02-14-06
Legislative Printing Unit		x		02-14-06
Legislative Reference Bureau		x		02-14-06
Legislative Research Unit		x		02-14-06

***FINANCIAL AUDITS, SINGLE AUDITS AND
COMPLIANCE ATTESTATION EXAMINATIONS***

<i>AGENCY</i>	<i>F</i>	<i>C</i>	<i>S</i>	<i>DATE RELEASED</i>
Literacy Foundation	x	x		02-16-06
Medical District Commission		x		03-08-06
Medical District Commission at Springfield	x	x		02-09-06
METRA (12/31/05)	x	x	x	06-01-06
Metro. Pier and Exposition Authority		x		03-08-06
Northeastern Illinois University	x	x	x	02-16-06
Northeastern Illinois University Foundation	x	x		02-16-06
Northern Illinois University	x	x	x	02-22-06
Northern Illinois University Alumni Association	x			02-02-06
Northern Illinois University Foundation	x			02-02-06
Office of the Governor		x		03-30-06
Office of the Lieutenant Governor		x		03-30-06
PACE (12/31/05)	x	x	x	05-02-06
Pension Laws Commission		x		02-09-06
RTA (12/31/05)	x	x	x	06-22-06
Secretary of State	x	x		03-30-06
Southern Illinois University	x	x	x	03-23-06
Southern Illinois University Carbondale – Alumni Assoc.	x	x		03-23-06
Southern Illinois University Carbondale – Foundation	x	x		03-23-06
Southern Illinois University Carbondale Foundation Evergreen Terrace	x			03-23-06
Southern Illinois Univ. Edwardsville – Alumni Assoc.	x	x		03-23-06
Southern Illinois University Edwardsville – Foundation	x	x		03-23-06
Southern Illinois University Physicians and Surgeons	x	x		03-23-06
Southern Illinois University Research Park	x	x		03-23-06
Southern Illinois University – University Park	x	x		03-23-06
State Board of Education	x	x		03-22-06
State Board of Elections		x		02-16-06

***FINANCIAL AUDITS, SINGLE AUDITS AND
COMPLIANCE ATTESTATION EXAMINATIONS***

<i>AGENCY</i>	<i>F</i>	<i>C</i>	<i>S</i>	<i>DATE RELEASED</i>
State Board of Investment	x			03-01-06
State Board of Investment		x		05-03-06
State Employees' Retirement System	x			03-01-06
State Employees' Retirement System		x		05-02-06
State Universities Retirement System	x			03-01-06
State Universities Retirement System		x		05-02-06
Statewide Single Audit	x	x	x	08-24-06
Summer School for the Arts		x		03-22-06
Teachers' Retirement System	x			03-01-06
Teachers' Retirement System		x		05-02-06
Teachers' Pension and Retirement System – Chicago		x		04-11-06
Toll Highway Authority (12/31/05)	x			10-26-06
Toll Highway Authority (12/31/05)		x		11-16-06
Treasurer – Bright Start College Savings Program	x			02-09-06
Treasurer – Fiscal Officer	x	x		03-30-06
Treasurer – Illinois Funds	x			02-09-06
Treasurer – Non-fiscal officer		x		03-30-06
Universities Civil Service Commission		x		02-09-06
University of Illinois	x	x	x	03-28-06
University of Illinois Alumni Association	x			02-02-06
University of Illinois Foundation	x			02-02-06
University of Illinois – Prairieland Energy, Inc.	x			03-08-06
University of Illinois – Research Park LLC	x			02-02-06
University of Illinois – Ventures LLC	x			02-02-06
University of Illinois – Wolcott Wood & Taylor, Inc.	x			02-02-06
Upper River Valley Development Authority		x		04-25-06
Western Illinois University	x	x	x	03-08-06
Western Illinois University Foundation	x	x		03-08-06

***FINANCIAL AUDITS, SINGLE AUDITS AND
COMPLIANCE ATTESTATION EXAMINATIONS***

<i>AGENCY</i>	<i>F</i>	<i>C</i>	<i>S</i>	<i>DATE RELEASED</i>
Workers Compensation Commission	x	x		03-02-06

FINANCIAL AUDITS, SINGLE AUDITS AND COMPLIANCE ATTESTATION EXAMINATIONS

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**FINANCIAL AUDITS, SINGLE AUDITS AND COMPLIANCE
ATTESTATION EXAMINATIONS FOR THE PERIOD(S) ENDING
JUNE 30, 2006, SEPTEMBER 30, 2006, DECEMBER 31, 2006,
AND APRIL 30, 2007**

F = Financial Audits

S = Single Audits

C = Compliance Attestation Examinations

<i>AGENCY</i>	<i>F</i>	<i>S</i>	<i>C</i>	<i>DATE RELEASED</i>
Attorney General				
Capital Development Board				
Chicago State University				
Chicago State University Foundation				
Comptroller – Fiscal Officer				
Comptroller – Non-Fiscal Officer				
Department on Aging				
Department of Agriculture (DuQuoin Fair) <i>Interim Work 9/30/06</i>				
Department of Agriculture (IL State Fair) <i>Interim Work 9/30/06</i>				
Department of Central Management Services				
Department of Central Management Services (Deferred Compensation Plan) (12/31/06)				
Department of Children and Family Services				
Department of Commerce and Economic Opportunity				
Department of Corrections – General Office				
Dept. of Corrections, Correctional Center – <i>Big Muddy River</i>				
Dept. of Corrections, Correctional Center – <i>Centralia</i>				
Dept. of Corrections, Correctional Center – <i>Danville</i>				

**FINANCIAL AUDITS, SINGLE AUDITS AND
COMPLIANCE ATTESTATION EXAMINATIONS**

<i>AGENCY</i>	<i>F</i>	<i>S</i>	<i>C</i>	<i>DATE RELEASED</i>
Dept. of Corrections, Correctional Center – <i>Decatur Womens</i>				
Dept. of Corrections, Correctional Center – <i>Dixon</i>				
Dept. of Corrections, Correctional Center – <i>Dwight</i>				
Dept. of Corrections, Correctional Center – <i>East Moline</i>				
Dept. of Corrections, Correctional Center – <i>Graham</i>				
Dept. of Corrections, Correctional Center – <i>Hill</i>				
Dept. of Corrections, Correctional Center – <i>IL River (Canton)</i>				
Dept. of Corrections, Correctional Center – <i>Jacksonville</i>				
Dept. of Corrections, Correctional Center – <i>Lawrence</i>				
Dept. of Corrections, Correctional Center – <i>Lincoln</i>				
Dept. of Corrections, Correctional Center – <i>Logan</i>				
Dept. of Corrections, Correctional Center – <i>Menard</i>				
Dept. of Corrections, Correctional Center – <i>Pinckneyville</i>				
Dept. of Corrections, Correctional Center – <i>Pontiac</i>				
Dept. of Corrections, Correctional Center – <i>Robinson</i>				
Dept. of Corrections, Correctional Center – <i>Shawnee</i>				
Dept. of Corrections, Correctional Center – <i>Sheridan</i>				
Dept. of Corrections, Correctional Center – <i>Southwestern IL</i>				
Dept. of Corrections, Correctional Center – <i>Stateville</i>				
Dept. of Corrections, Correctional Center – <i>Tamms</i>				
Dept. of Corrections, Correctional Center – <i>Taylorville</i>				
Dept. of Corrections, Correctional Center – <i>Vandalia</i>				
Dept. of Corrections, Correctional Center – <i>Vienna</i>				
Dept. of Corrections, Correctional Center – <i>Western Illinois</i>				
Department of Corrections, Correctional Industries				
Dept. of Corrections, IL Youth Center – <i>Chicago</i>				
Dept. of Corrections, IL Youth Center – <i>Harrisburg</i>				
Dept. of Corrections, IL Youth Center – <i>Joliet</i>				

**FINANCIAL AUDITS, SINGLE AUDITS AND
COMPLIANCE ATTESTATION EXAMINATIONS**

<i>AGENCY</i>	<i>F</i>	<i>S</i>	<i>C</i>	<i>DATE RELEASED</i>
Dept. of Corrections, IL Youth Center – <i>Kewanee</i>				
Dept. of Corrections, IL Youth Center – <i>Murphysboro</i>				
Dept. of Corrections, IL Youth Center – <i>Pere Marquette</i>				
Dept. of Corrections, IL Youth Center – <i>St. Charles</i>				
Dept. of Corrections, IL Youth Center – <i>Warrenville</i>				
Department of Employment Security				
Department of Financial Institutions				
Department of Healthcare and Family Services				
Department of Human Services				
Department of Military Affairs				
Department of Natural Resources				
Department of Revenue				
Department of State Police				
Department of Transportation				
Department of Veterans' Affairs – General Office				
Drycleaner Environmental Response Trust Fund Council				
DuPage Water Commission (4/30/07)				
East St. Louis Financial Advisory Authority				
Eastern Illinois University				
Eastern Illinois University Alumni Association	x			11/29/06
Eastern Illinois University Foundation	x			11/29/06
Environmental Protection Agency				
General Assembly – Retirement System				
Governors State University				
Governors State University Alumni Association				
Governors State University Foundation				
Historic Preservation Agency				
Illinois Community College Board				

**FINANCIAL AUDITS, SINGLE AUDITS AND
COMPLIANCE ATTESTATION EXAMINATIONS**

<i>AGENCY</i>	<i>F</i>	<i>S</i>	<i>C</i>	<i>DATE RELEASED</i>
Illinois Conservation Foundation				
Illinois Housing Development Authority	x			11-16-06
Illinois Mathematics and Science Academy				
Illinois Mathematics and Science Academy Fund				
Illinois Medical District Commission				
Illinois Petroleum Resources Board				
Illinois Sports Facilities Authority Pursuant to (PA 91-0935)				
Illinois State Board of Investment				
Illinois State Toll Highway Authority – 12/31/06				
Illinois State University				
Illinois State University Foundation				
Illinois Student Assistance Commission				
Illinois Student Assistance Commission Designated Account Purchase Program				
Illinois Student Assistance Commission – Prepaid Tuition				
Illinois Veterans’ Home – Anna				
Illinois Veterans’ Home – LaSalle				
Illinois Veterans’ Home – Manteno				
Illinois Veterans’ Home – Quincy				
Illinois Violence Prevention Authority				
Industrial Commission – Self Insurer’s Fund				
Joint Committee on Administrative Rules				
Judges Retirement System				
Judicial Inquiry Board				
Kankakee River Valley Area Airport Authority				
Law Enforcement Training Standards Board				
Legislative Information Systems				
Northeastern Illinois University				

**FINANCIAL AUDITS, SINGLE AUDITS AND
COMPLIANCE ATTESTATION EXAMINATIONS**

<i>AGENCY</i>	<i>F</i>	<i>S</i>	<i>C</i>	<i>DATE RELEASED</i>
Northeastern Illinois University Foundation	x			11-29-06
Northern Illinois University				
Northern Illinois University Alumni Association	x			11-29-06
Northern Illinois University Foundation	x			11-29-06
Office of Banks and Real Estate				
Pollution Control Board				
Prisoner Review Board				
Property Tax Appeal Board				
Secretary of State				
Sex Offender Management Board				
Southern IL University				
Southern IL University – Carbondale Alumni Association				
Southern IL University – Carbondale Foundation				
Southern IL University – Edwardsville Alumni Association				
Southern IL University – Evergreen Terrace				
Southern IL University – Edwardsville Foundation				
Southern IL University – Physicians & Surgeons, Inc.				
Southern IL University – Research Park				
Southern IL University – University Park				
Southwestern Illinois Development Authority				
State Appellate Defender				
State Board of Education				
State Employees’ Retirement System				
State Fire Marshal				
State Police Merit Board				
State Universities Retirement System				
State’s Attorney’s Appellate Prosecutor				
Statewide Single Audit – (Federal Funds)				

***FINANCIAL AUDITS, SINGLE AUDITS AND
COMPLIANCE ATTESTATION EXAMINATIONS***

<i>AGENCY</i>	<i>F</i>	<i>S</i>	<i>C</i>	<i>DATE RELEASED</i>
Teachers' Retirement System				
Treasurer – Bright Start College Savings Program	x			12-12-06
Treasurer – Fiscal Officer				
Treasurer – Illinois Funds	x			12-12-06
University of Illinois				
University of Illinois Alumni Association	x			11-16-06
University of Illinois Foundation	x			12-12-06
University of Illinois – Prairieland Energy, Inc.				
University of Illinois – Research Park, LLC				
University of Illinois – Ventures, LLC				
University of Illinois – Wolcott, Wood & Taylor, Inc.	x			11-16-06
Western Illinois University				
Western Illinois University Foundation				

INFORMATION SYSTEMS AUDITS

These audits are components of each agency's regularly scheduled financial audits, single audits and compliance attestation examinations for the period ending June 30, 2006.

<i>INFORMATION SYSTEMS AUDITS AUDITS INITIATED AND/OR COMPLETED IN FISCAL YEAR 2007</i>	
•	Department of Central Management Services – BCCS 3 rd Party Review
•	Department of Children and Family Services
•	Department of Commerce and Economic Opportunity
•	Department of Healthcare and Family Services
•	Department of Human Services
•	Department of Military Affairs
•	Department of Natural Resources
•	Department of Revenue
•	Department of State Police
•	Department of Transportation
•	Department of Veterans' Affairs
•	Environmental Protection Agency
•	Governors State University
•	Illinois State University
•	Northern Illinois University
•	Office of the Comptroller
•	Office of the Treasurer
•	Southern Illinois University
•	State Fire Marshal
•	Teachers' Retirement System
•	University of Illinois
•	Western Illinois University

EMERGENCY PURCHASES

The Illinois Procurement Code requires agencies expending funds in an emergency to file an affidavit with the Auditor General within 10 days after the procurement, setting forth the amount expended, the name of the contractor, and the circumstances requiring the emergency purchase. The Auditor General, in turn, is required to file a quarterly report with the Commission and the Governor setting forth a complete listing of all emergency purchases reported during that quarter. The latest report is for the second quarter of Fiscal Year 2007 and it contains fifty six filings with this Office.

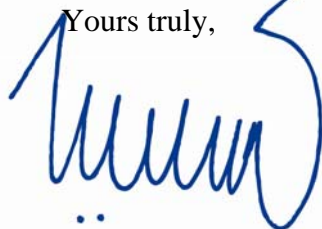
CONTRACTUAL SERVICES CERTIFICATIONS

Pursuant to the requirements of the State Finance Act at 30 ILCS 105/15a, State agencies must file a certification with the Auditor General prior to the execution of any contract with a former employee who took an early retirement incentive based on retirement before 1993. The certification must state that the former employee either possesses unique expertise or is essential to the operation of the agency.

During the second quarter of Fiscal Year 2007, the Auditor General received no new contractual services certifications.

Copies of certifications received in previous quarters are on file in our Office.

Yours truly,

A handwritten signature in blue ink, appearing to read 'William G. Holland', with a large, sweeping flourish extending upwards and to the right.

WILLIAM G. HOLLAND
Auditor General